

SENATE BILL 2198

By Kyle

AN ACT to amend Tennessee Code Annotated, Title 67,  
relative to taxation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-409(a)(3), is amended by deleting the language in subdivision (F) and substituting instead the following:

(F) Are transfers of real estate to a revocable living trust under which the real estate reverts back to the transferor if the trust is revoked;

SECTION 2. Tennessee Code Annotated, Section 67-4-2006(c)(1), is amended by deleting the language "67-4-2004(34)" and substituting instead the language "67-4-2004(39)".

SECTION 3. Tennessee Code Annotated, Section 67-4-2119, is amended by designating the current language as subsection (a) and adding the following as a new subsection:

(b) Any taxpayer filing a franchise and excise tax return, pursuant to which the taxpayer's only liability is the minimum franchise tax imposed by this section, shall file the return and remit payment electronically using a method approved by the commissioner. In addition to any other penalty provided by law, the commissioner shall assess any taxpayer required by this subsection to file its return and remit payment by electronic means a penalty of one hundred dollars (\$100) for each instance of filing by any other means. Such penalty shall be subject to waiver under the provisions of § 67-1-803. In extenuating circumstances, the commissioner has discretionary authority to waive the requirements imposed by this subsection.

SECTION 4. Tennessee Code Annotated, Section 67-4-2807, is amended by deleting the current language in its entirety and substituting instead the following:

Notwithstanding any other provision of law, an assessment against a dealer who possesses an unauthorized substance to which a stamp has not been affixed as required by this part shall be made as provided in this section. The commissioner shall assess tax, applicable penalty, and interest based on any information brought to the attention of the commissioner, or the commissioner's duly authorized assistants, that a person is liable for unpaid tax pursuant to this part. The tax shall be assessed in the same manner as any other tax assessment, except when the provisions of this part specify otherwise. The commissioner shall notify the dealer in writing of the amount of the tax, penalty, and interest due. The notice of assessment shall be either mailed to the dealer at the dealer's last known address or served on the dealer in person. If the dealer does not pay the tax, penalty, and interest upon receipt of the notice of assessment, the commissioner shall collect the assessment, including penalty and interest, pursuant to the procedures set forth in chapter 1, part 14, of this title. The dealer may seek review of the assessment as provided in chapter 1, part 18, of this title. The provisions of § 67-1-1802 are applicable to the tax levied by this part, except that a claim for refund shall be filed within six (6) months of the date of payment of the tax.

SECTION 5. Tennessee Code Annotated, Section 67-4-2808, is amended by deleting the current language in its entirety and substituting instead the following:

Notwithstanding any other provision of law, information obtained pursuant to this part is confidential and may not be used in a criminal prosecution other than a prosecution for a violation of this part. Stamps issued pursuant to this part may not be used in a criminal prosecution other than a prosecution for a violation of this part. This section does not prohibit the commissioner from publishing statistics that do not disclose the identity of dealers or the contents of particular returns or reports.

SECTION 6. Section 3 of this act shall take effect on January 1, 2008, the public welfare requiring it. All remaining sections of this act shall take effect upon becoming a law, the public welfare requiring it.